Center for Sustainable Energy CALIFORNIA

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February 28, 2013

California Energy Commission
Dockets Office MS-4
Re: Docket Number: 12-ALT-02
1516 Ninth Street
Sacramento, CA 95814-5512
Via email to docket@energy.state.ca.us

Comments of the California Center for Sustainable Energy regarding the California Energy Commission's Draft 2013-2014 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program

The California Center for Sustainable Energy (CCSE) in partnership with the East Bay Clean Cities Organization and a coalition of 12 additional groups, representing public and private fleets throughout California, would like to thank the California Energy Commission (Energy Commission) for the opportunity to provide these public comments regarding the Alternative and Renewable Fuel and Vehicle Technology Program Buy-down Incentives for Natural Gas and Propane Vehicles (Program).

Background

Over the course of 2012, CCSE designed and implemented a technology-neutral, metrics-based alternative fuel and clean vehicle program targeting ground transportation providers at the San Diego International Airport. As a result of extensive outreach efforts related to this Program, CCSE recognized that the majority of Airport fleet customers faced significant challenges in accessing incentives via the Program. Specifically, many small fleet customers were unaware that the Buy-down Program existed. Of those that were aware, most did not know how to access potential incentive funding for vehicle purchases. In addition, there was also a perception from many fleets that the complete rebate savings were not reaching the end consumer[1].

In early 2013, the East Bay Clean Cities Organization sent out an informal survey to Northern California municipal fleets focused on knowledge and utilization of the Program. Of the fleets that responded to the survey, not one was successfully awarded Buy Down funds. Further, the majority of responding fleets had no knowledge of the Program. Fleets that knew of the Program shared many of the same issues recognized in San Diego. As a result of these similarities, CCSE and the East Bay Clean Cities sent out a request to fleets from across the state to see if these challenges were shared with additional operators in other regions.

CCSE and the East Bay Clean Cities received responses from 12 organizations throughout California. These organizations represent the full spectrum of vehicle fleets in the state—from large operators with a footprint in each major metropolitan area to small fleets with a local presence. The list below identifies each organization that responded. Please note that each of these responses is included as an

[1] CCSE previously presented these challenges as comments to *2012-2013 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program*.

attachment to these comments and we encourage the Energy Commission to review all of these in detail.

Participating public and private fleets from across California:

1. SuperShuttle International, Inc.
2. City of Sacramento
3. Sacramento Clean Cities Organization
4. San Francisco International Airport
5. University of California, San Diego
6. Tayman Industries, Inc.
7. Sea Breeze Shuttle
8. San Diego County Regional Airport Authority
9. Antelope Valley Clean Cities Organization
10. Coachella Valley Clean Cities Organization
11. San Diego County Airport Shuttle Association
12. University of California, Davis

<u>Consistent Challenges Accessing Buy Down Funds</u>

Collectively CCSE, the East Bay Clean Cities Organization and the 12 organizations listed above identified three consistent issues regarding the program, including:

Knowledge of the Program: Many small and medium size fleet customers are unaware that the Energy Commission has incentives available for natural gas and propane vehicles via the Buy-down program.

Visibility of Available Funding and Vehicles: There is no mechanism to communicate how much funding is available in "real-time". Further, to identify participating dealerships fleets must either contact the OEMs directly or read through funding award announcements on the Energy Commission's website. Both methods create an inefficient and time consuming process, which in turn is a significant barrier to participating in the program.

Dealer/OEM Focused Model: The way incentives are allocated places the responsibility for securing funding on participating OEM's and/or designated dealerships. Interested smaller dealerships in lower volume less urban areas are unlikely to be identified for participation. End users seeking alternative fuel vehicle incentives under the Program are faced with limited funding availability that may not be geographically convenient or economically feasible for them to access.

<u>Unique Challenges to Accessing Buy Down Funds</u>

Three of these organizations—City of Sacramento, San Francisco International Airport and SuperShuttle, Inc. — provided additional challenges. While direct language is included below, these significant issues focus on incentive distribution, program design, the timing of funding and potential profiteering by dealerships.

Comments from the City of Sacramento

Current Method for Distribution of Incentives: End users seeking alternative fuel vehicle incentives under the Program are faced with limited funding availability that may not be convenient or economically feasible for them to access. The City of Sacramento would like to see the program structured similarly to the HVIP and CVRP programs such that a point-of-purchase voucher would be made available for qualifying vehicles from any dealer. Natural gas and propane vehicles typically have a strong return on investment, which combined with a more effective Energy Commission incentive would increasingly allow municipal fleets such as ours to make these alternative fuel vehicle purchases.

Comments from the San Francisco International Airport

Inefficient Allocation Structure: The Commission's goal should be to reduce overall emissions. That goal is hampered by artificial restrictions limiting the number of vehicles from a given manufacturer. For example, airport shared-ride vans accumulate 50,000-80,000 miles per year each. CNG conversions are generally available only for Ford E350 vans, which the operators prefer anyway. Ford is restricted from accessing more than a small percentage of available funds, bumping up against its limit each year. Successful operators receive $8K each per van. By contrast, minibuses operated in airport hotel and parking lot courtesy shuttle service typically use a near-identical Ford E450 chassis and fueling system but travel 30,000-50,000 miles per year. Operators of these vehicles have no problem receiving $20K each in CEC funding for as many vehicles as they want because the Commission classifies each E450 upfitter as a separate manufacturer.

Irregular Fund Releases: CNG and propane vehicles aren't demonstration vehicles but are suitable for full commercial use. That said, there remains a need for CEC incentives until economies of scale reduce capital cost and resale values improve. The program shouldn't be treated like an R&D program with occasional fund releases. Commercial transportation operators need predictable, year-round funding with minimal application paperwork. Long gaps in funding aren't conducive to a real-world market.

Comments from SuperShuttle International, Inc.

Release of Funds: The timing of the various releases of funds is impossible to predict or plan for, and, since the vehicles must be brand new, this causes delays in both deployment and purchasing of clean fuel vehicles. In the summer of 2011, we attempted to get funding for some E-350 vans which we were putting into service in our San Francisco market. We had ordered 20 CNG vans and were looking to participate in the Buy Down Program for as many of them as we could. The 20 vans were ready to go, but we could not take delivery of them because we were waiting for the CEC to release funding. After three months of waiting for funds to become available, we were finally told that the release we had been waiting on would not have anything available for us and we would need to wait another three months for the next release of funds. The loss of revenues we had already experienced due to not being able to take delivery of the vehicles was too high and we could not afford to wait another three months, so we had to deploy our equipment and forego the credits.

Dealer/OEM Pass-through of Incentives: The program calls for a 100% pass-through of the credit to the end user, but in our experience with several of the dealerships we attempted to work with, this was not exactly how this was working. The dealership would show 100% of the credit on the invoice, but we found the base cost of the vehicle being inflated. In our case, we have a negotiated pricing model with Ford and the dealerships in CA were charging us more (between $2,000 and $4,000) than our negotiated price for the vehicle, but still showing 100% of the credit on the invoice. This allowed the dealer to earn additional profits on the back of this Program.

In summary CCSE, the East Bay Clean Cities Organization and our coalition representing public and private fleets from across the state believes there are significant challenges that exist with accessing Buy-down Incentives for Natural Gas and Propane Vehicles. The Program should be revised to enhance and encourage the adoption of gaseous fuel vehicles throughout all fleets in California.

We thank you for the opportunity to engage with the Energy Commission on these initiatives and are happy to provide any additional information as needed.

Sincerely

Sachu Constantine
Director of Policy
California Center for Sustainable Energy
9325 Sky Park Court, Suite 100
San Diego, CA 92123
Tel: (510) 684-7904
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DEPARTMENT OF
GENERAL SERVICES

CITY OF SACRAMENTO
CALIFORNIA

5730 - 24th Street, Building One
Sacramento, CA 95822-3699

FLEET MANAGEMENT DIVISION

Phone: 916-808-1888
Fax: 916-399-9263

Feb. 20, 2013

California Energy Commission
Dockets Office MS-4
Re: Docket Number: 12-ALT-02
1516 Ninth Street
Sacramento, CA 95814-5512
Via email to docket@energy.state.ca.us

Comments of the City of Sacramento regarding the California Energy Commission's Draft 2013-2014 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program

The City of Sacramento would like to thank the California Energy Commission (Energy Commission) for the opportunity to provide these public comments regarding the Alternative and Renewable Fuel and Vehicle Technology Program Buy-down Incentives for Natural Gas and Propane Vehicles (Program). The City of Sacramento has experienced several challenges to participating in this Program including:

Current Method for Distribution of Incentives: End users seeking alternative fuel vehicle incentives under the Program are faced with limited funding availability that may not be convenient or economically feasible for them to access. The City of Sacramento would like to see the program structured similarly to the HVIP and CVRP programs such that a point-of-purchase voucher would be made available for qualifying vehicles from any dealer. Natural gas and propane vehicles typically have a strong return on investment, which combined with a more effective Energy Commission incentive would increasingly allow municipal fleets such as ours to make these alternative fuel vehicle purchases.

Visibility of Available Funding and Vehicles: There is no mechanism to communicate how much funding is available in "real-time". Further, to identify participating dealerships fleets must either contact the OEMs directly or read through funding award announcements on the Energy Commission's website. Both methods create an inefficient and time consuming process, which in turn is a significant barrier to participating in the program.

We are gratified to have the opportunity to engage with the Energy Commission on these important endeavors, which are critically important for California's transition to a clean energy economy.

Sincerely,

Keith Leech
City of Sacramento
Fleet Manager
(916) 808-5869

San Francisco International Airport

February 22, 2013

California Energy Commission
Dockets Office MS-4
Re: Docket Number: 12-ALT-02
1516 Ninth Street
Sacramento, CA 95814-5512

Via E-Mail to <docket@energy.state.ca.us>

Subject: San Francisco International Airport comments regarding the California Energy Commission's Draft 2013-2014 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program

San Francisco International Airport (SFO) thanks the California Energy Commission (CEC) for the opportunity to comment on the Alternative and Renewable Fuel and Vehicle Technology Program Buy-down Incentives for Natural Gas and Propane Vehicles (Program). This Program is critical in facilitating the adoption and replacement of alternative fuel vehicles in our many commercial ground transportation fleets.

For 15 years, through our Clean Vehicle Policy, SFO has introduced alternative fuel vehicles to our own fleet and our commercial fleets. We're proud to say that in 2013, virtually all our on-Airport transportation, shared-ride van, courtesy shuttle and regional rail fleets run on electricity or natural gas. We have two large public access CNG stations on Airport property.

Today I want to bring to your attention some structural issues that hamper the CEC's Program. These include the following:

Visibility of Available Funding and Vehicles: There is no mechanism to communicate how much funding is available in "real-time". Further, to identify participating dealerships fleets must either contact the OEMs directly or read through funding award announcements on the Energy Commission's website. Both methods create an inefficient and time consuming process, which in turn is a significant barrier to participating in the program.

Inefficient Allocation Structure: The Commission's goal should be to reduce overall emissions. That goal is hampered by artificial restrictions limiting the number of vehicles from a given manufacturer. For example, airport shared-ride vans accumulate 50,000-80,000 miles per year each. CNG conversions are generally available only for Ford E350 vans, which the operators prefer anyway. Ford is restricted from accessing more than a small percentage of available funds, bumping up against its limit each year. Successful operators receive \$8K each per van. By contrast, minibuses operated in airport hotel and parking lot courtesy shuttle service typically use a near-identical Ford E450 chassis and fueling system but travel 30,000-50,000 miles per vehicle. Operators of these vehicles have no problem receiving \$20K each in CEC funding for as many vehicles as they want because the Commission classifies each E450 body upfitter as a separate manufacturer.

Post Office Box 8097 San Francisco, California 94128 Tel 650.821.5000 Fax 650.821.5005 www.flysfo.com

Dealer/OEM Focused Model: Currently, the responsibility for securing funding rests with participating OEM's and/or designated dealerships. Interested smaller dealerships are unlikely to be identified for participation. End users seeking alternative fuel vehicle incentives under the Program are faced with limited funding availability that may not be convenient or economically feasible for them to access.

Irregular Fund Releases: CNG and propane vehicles aren't demonstration vehicles but are suitable for full commercial use. That said, there remains a need for CEC incentives until economies of scale reduce the capital cost, and resale values improve. The program shouldn't be treated like an R&D program with occasional fund releases. Commercial transportation operators need predictable, year-round funding and minimal application paperwork. Long gaps in funding aren't conducive to a real-world market.

In summary, San Francisco International Airport believes there are significant challenges limiting access to Buy-down Incentives for Natural Gas and Propane Vehicles. The program should be revised to (1) allow first-come, first-served applications from any dealership for any approved vehicles without artificial caps; and (2) provide a continuous funding stream sufficient to meet customer demand and normal replacement cycles without "binge buying". These actions will enhance and encourage the adoption of gaseous fuel vehicles in fleets of all sizes.

Thank you for the opportunity to make these points. The CEC's Program remains critically important for California's transition to a clean energy economy. For more information, please contact Roger Hooson, Senior Transportation Planner, at (650) 821-6511.

Very truly yours,

John L. Martin
Airport Director

SuperShuttle

David Bird
Executive Vice President
of Operations

February 22, 2013

California Energy Commission
Dockets Office MS-4
Re: Docket Number: 12-ALT-02
1516 Ninth Street
Sacramento, CA 95814-5512
Via email to docket@energy.state.ca.us

Comments of SuperShuttle International, Inc. regarding the California Energy Commission's Draft 2013-2014 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program

SuperShuttle International, Inc. (SuperShuttle) would like to thank the California Energy Commission (Energy Commission) for the opportunity to provide these public comments regarding the Alternative and Renewable Fuel and Vehicle Technology Program Buy-down Incentives for Natural Gas and Propane Vehicles (Program). SuperShuttle has experienced several challenges to participating in this Program including:

Knowledge of the Program: Many small and medium size fleet customers are unaware that the Energy Commission has incentives available for natural gas and propane vehicles via the Buy-down program.

Visibility of Available Funding and Vehicles: There is no mechanism to communicate how much funding is available in "real-time". Further, to identify participating dealerships fleets must either contact the OEMs directly or read through funding award announcements on the Energy Commission's website. Both methods create an inefficient and time consuming process, which in turn is a significant barrier to participating in the program.

Release of Funds: The timing of the various releases of funds is impossible to predict or plan for, and, since the vehicles must be brand new, this causes delays in both deployment and purchasing of clean fuel vehicles. In the summer of 2011, we attempted to get funding for some E-350 vans which we were putting into service in our San Francisco market. We had ordered 20 CNG vans and were looking to participate in the CEC Buy-Down program for as many of them as we could. The 20 vans were ready to go, but we could not take delivery of them because we were waiting for the CEC to release funding. After 3 months of waiting for funds to become available, we were finally told that the release we had been waiting on would not have anything available for us and we would need to wait another 3 months for the next release of funds. The loss of revenues we had already experienced due to not being able to take delivery of the vehicles was too high and we could not afford to wait another 3 months, so we had to deploy our equipment and forego the credits.

Dealer/OEM Focused Model: The way incentives are allocated places the responsibility for securing funding on participating OEM's and/or designated dealerships. Interested smaller dealerships in lower volume less urban areas are unlikely to be identified for participation. End users seeking alternative fuel vehicle incentives under the Program are faced with limited funding availability that may not be convenient or economically feasible for them to access.

Dealer/OEM Pass-through of Incentives: The program calls for a 100% pass-through of the credit to the end user, but in our experience with several of the dealerships we attempted to work with, this was not exactly how it was working. The dealership would show 100% of the credit on the invoice, but we found the base cost of the vehicle was being inflated. In our case, we have a negotiated pricing model with Ford and the dealerships in CA were charging us more (between $2,000 and $4,000) than our negotiated price for the vehicle, but still showing 100% of the credit on the invoice. This allowed the dealer to earn additional profits on the back of this program.

We are gratified to have the opportunity to engage with the Energy Commission on these important endeavors, which are critically important for California's transition to a clean energy economy. We also believe that Shared Ride companies like ours are a great fit for programs like this one as we operate our vehicles 24/7. This means a tremendous amount of miles (sometimes up to 100,000 miles per year, per vehicle) and using a clean burning fuel would have a dramatic impact on emissions.

In summary, SuperShuttle believes there are significant challenges that exist with accessing Buy-down Incentives for Natural Gas and Propane Vehicles. The Program should be revised to enhance and encourage the adoption of gaseous fuel vehicles in small to medium-sized fleets.

Sincerely,

Dave Bird
SuperShuttle International, Inc.
Executive Vice President of Operations
480.609.3000

UCSD
University of California, San Diego

Facilities Management - Fleet Services

TEL: (858) 534-2551
FAX: (858) 534-2051

9500 Gilman Drive # 0033
La Jolla, California 92093-0033

Feb. 21, 2013

California Energy Commission
Dockets Office MS-4
Re: Docket Number: 12-ALT-02
1516 Ninth Street
Sacramento, CA 95814-5512
Via email to docket@energy.state.ca.us

Comments of University of California San Diego regarding the California Energy Commission's Draft 2013-2014 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program

UC San Diego would like to thank the California Energy Commission (Energy Commission) for the opportunity to provide these public comments regarding the Alternative and Renewable Fuel and Vehicle Technology Program Buy-down Incentives for Natural Gas and Propane Vehicles (Program). UC San Diego has experienced several challenges to participating in this Program including:

> **Knowledge of the Program:** Many small and medium size fleet customers are unaware that the Energy Commission has incentives available for natural gas and propane vehicles via the Buy-down program.
>
> **Visibility of Available Funding and Vehicles**: There is no mechanism to communicate how much funding is available in "real-time". Further, to identify participating dealerships fleets must either contact the OEMs directly or read through funding award announcements on the Energy Commission's website. Both methods create an inefficient and time consuming process, which in turn is a significant barrier to participating in the program.
>
> **Dealer/OEM Focused Model:** The way incentives are allocated places the responsibility for securing funding on participating OEM's and/or designated dealerships. Interested smaller dealerships in lower volume less urban areas are unlikely to be identified for participation. End users seeking alternative fuel vehicle incentives under the Program are faced with limited funding availability that may not be convenient or economically feasible for them to access.

In summary, UC San Diego believes there are significant challenges that exist with accessing Buy-down Incentives for Natural Gas and Propane Vehicles. The Program should be revised to enhance and encourage the adoption of gaseous fuel vehicles in small to medium-sized fleets.

We are gratified to have the opportunity to engage with the Energy Commission on these important endeavors, which are critically important for California's transition to a clean energy economy.

Sincerely,

James D. Ruby II

James D Ruby II
UC San Diego
Assistant Director/Fleet Services
858-534-8848

Feb. 21, 2013

California Energy Commission
Dockets Office MS-4
Re: Docket Number: 12-ALT-02
1516 Ninth Street
Sacramento, CA 95814-5512
Via email to docket@energy.state.ca.us

Comments of Tayman Industries, Inc. regarding the California Energy Commission's Draft 2013-2014 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program

Tayman Industries, Inc. would like to thank the California Energy Commission (Energy Commission) for the opportunity to provide these public comments regarding the Alternative and Renewable Fuel and Vehicle Technology Program Buy-down Incentives for Natural Gas and Propane Vehicles (Program). Tayman Industries, Inc. has experienced several challenges to participating in this Program including:

Knowledge of the Program: Many small and medium size fleet customers are unaware that the Energy Commission has incentives available for natural gas and propane vehicles via the Buy-down program.

Visibility of Available Funding and Vehicles: There is no mechanism to communicate how much funding is available in "real-time". Further, to identify participating dealerships fleets must either contact the OEMs directly or read through funding award announcements on the Energy Commission's website. Both methods create an inefficient and time consuming process, which in turn is a significant barrier to participating in the program.

Dealer/OEM Focused Model: The way incentives are allocated places the responsibility for securing funding on participating OEM's and/or designated dealerships. Interested smaller dealerships in lower volume less urban areas are unlikely to be identified for participation. End users seeking alternative fuel vehicle incentives under the Program are faced with limited funding availability that may not be convenient or economically feasible for them to access.

In summary, Tayman Industries, Inc. believes there are significant challenges that exist with accessing Buy-down Incentives for Natural Gas and Propane Vehicles. The Program should be revised to enhance and encourage the adoption of gaseous fuel vehicles in small to medium-sized fleets.

We are gratified to have the opportunity to engage with the Energy Commission on these important endeavors, which are critically important for California's transition to a clean energy economy.

Sincerely,

Bobby Brooks
Tayman Industries, Inc.
Vice President
858-453-8878

Feb. 21, 2013

California Energy Commission
Dockets Office MS-4
Re: Docket Number: 12-ALT-02
1516 Ninth Street
Sacramento, CA 95814-5512
Via email to docket@energy.state.ca.us

Comments of Sea Breeze Shuttle LLC regarding the California Energy Commission's Draft 2013-2014 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program

Sea Breeze Shuttle LLC would like to thank the California Energy Commission (Energy Commission) for the opportunity to provide these public comments regarding the Alternative and Renewable Fuel and Vehicle Technology Program Buy-down Incentives for Natural Gas and Propane Vehicles (Program). **Sea Breeze Shuttle LLC** has experienced several challenges to participating in this Program including:

> **Knowledge of the Program:** Many small and medium size fleet customers are unaware that the Energy Commission has incentives available for natural gas and propane vehicles via the Buy-down program.
>
> **Visibility of Available Funding and Vehicles**: There is no mechanism to communicate how much funding is available in "real-time". Further, to identify participating dealerships fleets must either contact the OEMs directly or read through funding award announcements on the Energy Commission's website. Both methods create an inefficient and time consuming process, which in turn is a significant barrier to participating in the program.
>
> **Dealer/OEM Focused Model:** The way incentives are allocated places the responsibility for securing funding on participating OEM's and/or designated dealerships. Interested smaller dealerships in lower volume less urban areas are unlikely to be identified for participation. End users seeking alternative fuel vehicle incentives under the Program are faced with limited funding availability that may not be convenient or economically feasible for them to access.

In summary, **Sea Breeze Shuttle LLC** believes there are significant challenges that exist with accessing Buy-down Incentives for Natural Gas and Propane Vehicles. The Program should be revised to enhance and encourage the adoption of gaseous fuel vehicles in small to medium-sized fleets.

We are gratified to have the opportunity to engage with the Energy Commission on these important endeavors, which are critically important for California's transition to a clean energy economy.

Sincerely,

Kevin R. Kohl

Kevin Kohl CEO
Kevin Kohl and Associates LLC
DBA Sea Breeze Shuttle
619.303.5668

SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY

P.O. BOX 82776, SAN DIEGO, CA 92138-2776
619.400.2400 WWW.SAN.ORG

February 21, 2013

California Energy Commission
Dockets Office MS-4
Re: Docket Number: 12-ALT-02
1516 Ninth Street
Sacramento, CA 95814-5512
Via email to docket@energy.state.ca.us

Comments of San Diego County Regional Airport Authority regarding the California Energy Commission's Draft 2013-2014 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program

San Diego County Regional Airport Authority would like to thank the California Energy Commission (Energy Commission) for the opportunity to provide these public comments regarding the Alternative and Renewable Fuel and Vehicle Technology Program Buy-down Incentives for Natural Gas and Propane Vehicles (Program). San Diego County Regional Airport Authority has experienced several challenges to participating in this Program including:

Knowledge of the Program: Many small and medium size fleet customers are unaware that the Energy Commission has incentives available for natural gas and propane vehicles via the Buy-down program.

Visibility of Available Funding and Vehicles: There is no mechanism to communicate how much funding is available in "real-time". Further, to identify participating dealerships fleets must either contact the OEMs directly or read through funding award announcements on the Energy Commission's website. Both methods create an inefficient and time consuming process, which in turn is a significant barrier to participating in the program.

Dealer/OEM Focused Model: The way incentives are allocated places the responsibility for securing funding on participating OEM's and/or designated dealerships. Interested smaller dealerships in lower volume less urban areas are unlikely to be identified for participation. End users seeking alternative fuel vehicle incentives under the Program are faced with limited funding availability that may not be convenient or economically feasible for them to access.

In summary, San Diego County Regional Airport Authority believes there are significant challenges that exist with accessing Buy-down Incentives for Natural Gas and Propane Vehicles. The Program should be revised to enhance and encourage the adoption of gaseous fuel vehicles in small to medium-sized fleets. We are gratified to have the opportunity to engage with the Energy Commission on these important endeavors, which are critically important for California's transition to a clean energy economy.

Sincerely,

P. Manasjan

Paul Manasjan, Director of Environmental Affairs
619-400-2784

SAN DIEGO
INTERNATIONAL
AIRPORT

Feb. 20, 2013

Sacramento Clean Cities

Clean Cities
Sacramento
Clean Cities Coalition

California Energy Commission
Dockets Office MS-4
Re: Docket Number: 12-ALT-02
1516 Ninth Street
Sacramento, CA 95814-5512
Via email to docket@energy.state.ca.us

Comments of Sacramento Clean Cities regarding the California Energy Commission's Draft 2013-2014 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program

Sacramento Clean Cities would like to thank the California Energy Commission (Energy Commission) for the opportunity to provide these public comments regarding the Alternative and Renewable Fuel and Vehicle Technology Program Buy-down Incentives for Natural Gas and Propane Vehicles (Program). Sacramento Clean Cities stakeholders have experienced several challenges to participating in this Program including:

Knowledge of the Program: Many small and medium size fleet customers are unaware that the Energy Commission has incentives available for natural gas and propane vehicles via the Buy-down program.

Visibility of Available Funding and Vehicles: There is no mechanism to communicate how much funding is available in "real-time". Further, to identify participating dealerships fleets must either contact the OEMs directly or read through funding award announcements on the Energy Commission's website. Both methods create an inefficient and time consuming process, which in turn is a significant barrier to participating in the program.

Dealer/OEM Focused Model: The way incentives are allocated places the responsibility for securing funding on participating OEM's and/or designated dealerships. Interested smaller dealerships in lower volume less urban areas are unlikely to be identified for participation. End users seeking alternative fuel vehicle incentives under the Program are faced with limited funding availability that may not be convenient or economically feasible for them to access.

In summary, Sacramento Clean Cities believes there are significant challenges that exist with accessing Buy-down Incentives for Natural Gas and Propane Vehicles. The Program should be revised to enhance and encourage the adoption of gaseous fuel vehicles in small to medium-sized fleets.

We are gratified to have the opportunity to engage with the Energy Commission on these important endeavors, which are critically important for California's transition to a clean energy economy.

Sincerely,

Keith Leech
Greater Sacramento Clean Cities Coalition
Chairman/Coordinator
(916) 808-5869

Feb. 19, 2013

California Energy Commission
Dockets Office MS-4
Re: Docket Number: 12-ALT-02
1516 Ninth Street
Sacramento, CA 95814-5512
Via email to docket@energy.state.ca.us

Comments of Antelope Valley Clean Cities Coalition regarding the California Energy Commission's Draft 2013-2014 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program

Antelope Valley Clean Cities Coalition would like to thank the California Energy Commission (Energy Commission) for the opportunity to provide these public comments regarding the Alternative and Renewable Fuel and Vehicle Technology Program Buy-down Incentives for Natural Gas and Propane Vehicles (Program). Antelope Valley Clean Cities Coalition has experienced several challenges to participating in this Program including:

> **Knowledge of the Program:** Many small and medium size fleet customers are unaware that the Energy Commission has incentives available for natural gas and propane vehicles via the Buy-down program.
>
> **Visibility of Available Funding and Vehicles**: There is no mechanism to communicate how much funding is available in "real-time". Further, to identify participating dealerships fleets must either contact the OEMs directly or read through funding award announcements on the Energy Commission's website. Both methods create an inefficient and time consuming process, which in turn is a significant barrier to participating in the program.
>
> **Dealer/OEM Focused Model:** The way incentives are allocated places the responsibility for securing funding on participating OEM's and/or designated dealerships. Interested smaller dealerships in lower volume less urban areas are unlikely to be identified for participation. End users seeking alternative fuel vehicle incentives under the Program are faced with limited funding availability that may not be convenient or economically feasible for them to access.

In summary, Antelope Valley Clean Cities Coalition believes there are significant challenges that exist with accessing Buy-down Incentives for Natural Gas and Propane Vehicles. The Program should be revised to enhance and encourage the adoption of gaseous fuel vehicles in small to medium-sized fleets.

We are gratified to have the opportunity to engage with the Energy Commission on these important endeavors, which are critically important for California's transition to a clean energy economy.

Sincerely,

Curtis Martin

Curtis Martin
Antelope Valley Clean Cities Coalition
661-492-5916

Feb. 25,2013

California Energy Commission
Dockets Office MS-4
Re: Docket Number: 12-ALT-02
1516 Ninth Street
Sacramento, CA 95814-5512
Via email to docket@energy.state.ca.us

Comments of Clean Cities Coachella Valley Region (C3VR) regarding the California Energy Commission's Draft 2013-2014 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program

Clean Cities Coachella Valley Region (C3VR) would like to thank the California Energy Commission (Energy Commission) for the opportunity to provide these public comments regarding the Alternative and Renewable Fuel and Vehicle Technology Program Buy-down Incentives for Natural Gas and Propane Vehicles (Program). C3VR has experienced several challenges to participating in this Program including:

> **Knowledge of the Program:** Many small and medium size fleet customers are unaware that the Energy Commission has incentives available for natural gas and propane vehicles via the Buy-down program.
>
> **Visibility of Available Funding and Vehicles**: There is no mechanism to communicate how much funding is available in "real-time". Further, to identify participating dealerships fleets must either contact the OEMs directly or read through funding award announcements on the Energy Commission's website. Both methods create an inefficient and time consuming process, which in turn is a significant barrier to participating in the program.
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> **Dealer/OEM Focused Model:** The way incentives are allocated places the responsibility for securing funding on participating OEM's and/or designated dealerships. Interested smaller dealerships in lower volume less urban areas are unlikely to be identified for participation. End users seeking alternative fuel vehicle incentives under the Program are faced with limited funding availability that may not be convenient or economically feasible for them to access.

In summary, Clean Cities Coachella Valley Region (C3VR) believes there are significant challenges that exist with accessing Buy-down Incentives for Natural Gas and Propane Vehicles. The Program should be revised to enhance and encourage the adoption of gaseous fuel vehicles in small to medium-sized fleets.

We are gratified to have the opportunity to engage with the Energy Commission on these important endeavors, which are critically important for California's transition to a clean energy economy.

Sincerely,

Georgia Seivright
Program Manager, Clean Cities Coachella Valley Region (C3VR)

UC DAVIS
FLEET SERVICES

Feb. 27, 2013

California Energy Commission
Dockets Office MS-4
Re: Docket Number: 12-ALT-02
1516 Ninth Street
Sacramento, CA 95814-5512
Via email to docket@energy.state.ca.us

Comments of University of California, Davis Fleet Services regarding the California Energy Commission's Draft 2013-2014 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program

UC Davis Fleet Services would like to thank the California Energy Commission (Energy Commission) for the opportunity to provide these public comments regarding the Alternative and Renewable Fuel and Vehicle Technology Program Buy-down Incentives for Natural Gas and Propane Vehicles (Program). UC Davis Fleet Services has experienced several challenges to participating in this Program including:

Knowledge of the Program: Finding information about the program is difficult. Fleets looking for streamlined voucher or rebate type incentive programs are not accustomed to searching through a multi-page PON to ascertain program details. Program information, access, and application steps should be readily accessible via a webpage or online portal. OEM's and/or dealerships are not readily communicating program availability or details to smaller fleets.

Funding/Participating Dealer Clarity: There is no provision to communicate how much funding is available in "real-time". Further, to identify participating dealerships fleets must either contact the OEMs directly or read through funding award announcements. Fleets won't follow-up unless they know who to contact and reasonable certainty of funding is available.

Distribution Model: Selected dealerships and OEM's control program funding participation and incentive allocations. Interested smaller dealerships in lower volume less urban areas are unlikely to be identified for participation. Additionally, dealerships select which fleets may take advantage of the program and there is no apparent mechanism to ensure that dealerships do not inflate MSRP's to game the system to their own profit. There should also be a cap established on the number of incentives awarded to individual fleets so all may participate.

In summary, University of California, Davis Fleet Services believes there are significant challenges that exist with accessing Buy-down Incentives for Natural Gas and Propane Vehicles. The Program should be revised to enhance and encourage the adoption of gaseous fuel vehicles in small to medium-sized fleets.

We are gratified to have the opportunity to engage with the Energy Commission on these important endeavors, which are critically important for California's transition to a clean energy economy.

Sincerely,

Richard E. Battersby
Director, Fleet Services
University of California, Davis
(530) 752-9666

Feb. 27, 2013

California Energy Commission
Dockets Office MS-4
Re: Docket Number: 12-ALT-02
1516 Ninth Street
Sacramento, CA 95814-5512
Via email to docket@energy.state.ca.us

Comments of SDCASA (San Diego County Airport Shuttle Association) regarding the California Energy Commission's Draft 2013-2014 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program

SDCASA would like to thank the California Energy Commission (Energy Commission) for the opportunity to provide these public comments regarding the Alternative and Renewable Fuel and Vehicle Technology Program Buy-down Incentives for Natural Gas and Propane Vehicles (Program). SDCASA has experienced several challenges to participating in this Program including:

Knowledge of the Program: Many small and medium size fleet customers are unaware that the Energy Commission has incentives available for natural gas and propane vehicles via the Buy-down program.

Visibility of Available Funding and Vehicles: There is no mechanism to communicate how much funding is available in "real-time". Further, to identify participating dealerships fleets must either contact the OEMs directly or read through funding award announcements on the Energy Commission's website. Both methods create an inefficient and time consuming process, which in turn is a significant barrier to participating in the program.

Dealer/OEM Focused Model: The way incentives are allocated places the responsibility for securing funding on participating OEM's and/or designated dealerships. Interested smaller dealerships in lower volume less urban areas are unlikely to be identified for participation. End users seeking alternative fuel vehicle incentives under the Program are faced with limited funding availability that may not be convenient or economically feasible for them to access.

In summary, SDCASA believes there are significant challenges that exist with accessing Buy-down Incentives for Natural Gas and Propane Vehicles. The Program should be revised to enhance and encourage the adoption of gaseous fuel vehicles in small to medium-sized fleets.

We are gratified to have the opportunity to engage with the Energy Commission on these important endeavors, which are critically important for California's transition to a clean energy economy.

Sincerely

Carelyn Reynolds

Carelyn Reynolds
SDCASA
President
619-542-1924